Economic Development And Trade

Industry Development Division

Alberta Investment Guide

OPPORTUNITY

Alberta
CANADA

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THE ALBERTA INVESTMENT GUIDE
(Reference Report)

Department of Economic Development & Trade
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TABLE OF CONTENTS

	Page
Opportunity Unlimited	1
Alberta's Economic Strategy	3
Foreign Investment in Alberta	5
Business Immigration Program	7
Corporate and Personal Taxation	8
Comparative Living Cost Summary	14
Research and Development Tax Incentives	18
Selected Federal Government Assistance Programs and Services	21
Selected Alberta Government Assistance Programs and Services	29
Municipal Government Programs and Services	44
Roles of Selected Alberta Government Departments and Agencies	47
Investment Opportunities in Alberta	52
Other Sources of Venture Capital	58
Bibliography	62

OPPORTUNITY UNLIMITED

Alberta is the most dynamic of Canada's ten provinces and becoming a leading North American economic region.

Alberta offers unlimited opportunities to entrepreneurs and businesses alike.

OPPORTUNITY UNLIMITED - Natural Resources

- rich agricultural land
- forests containing 1.7 billion cubic metres of wood
- extensive resources of industrial minerals
- 2/3 of Canada's useable coal reserves
- large reserves of conventional oil and gas
- world's largest reserves of oil sands and heavy oil
- abundant electrical power

OPPORTUNITY UNLIMITED - Investment Appeal

- lowest personal income tax rate
- lowest corporate tax rate
- forgiveness of provincial corporate tax for qualifying small manufacturing businesses
- assured supply of competitively priced energy resources
- a growing economy
- a highly trained work force
- labour stability
- political stability
- a government committed to free enterprise
- government encouragement of foreign investment
- a government dedicated to, and supportive of research and development
- easy transportation and communications access
- large financial center
- availability of industrial land
- the "gateway to the North"
- no retail sales or retail gasoline tax

OPPORTUNITY UNLIMITED - Quality of Life

- first class elementary and secondary system
- outstanding advanced education institutions
- excellent health and medical care, covered by provincial insurance plan
- legislation for the protection of the environment
- ethnically and culturally diverse population
- National and Provincial Parks which provide the finest skiing, hiking, golfing and camping in the world
- site of 1978 Commonwealth Games and 1988 Winter Olympics
- vibrant city life
- excellent hunting and fishing in wilderness areas
- live theatre, dance, opera and symphony orchestras
- professionals sports

ALBERTA'S ECONOMIC STRATEGY

The basis of Alberta's economic strategy is to build upon existing strengths, develop new strengths, and work to overcome constraints. To establish this base, the Government of Alberta has adopted the following approaches:

Private Sector Orientation

Alberta recognizes and encourages the private sector in its role as the driving force of the economy.

Investment

The Alberta economy depends on investment for its continued growth. Consequently, Alberta has sought to provide a positive environment for provincial, national, and international investment. The development of an appropriate mix of investment from wide ranging sources is required to provide the province with the strongest possible economy.

Optimum Resource Upgrading

The most significant characteristic of the Alberta economy is the important role of natural resources, both renewable and non-renewable in economic growth. Natural resources will continue to form the basis of future growth. The Government of Alberta has, as a key objective of its overall economic strategy, the optimum upgrading of resources prior to their sale.

Diversification

In addition to the upgrading of natural resources, Alberta is seeking to broaden the industrial base of the province by increasing the scope of the manufacturing and service sectors.

Technology

As part of the overall diversification approach, Alberta is striving to take advantage of the technological revolution. This involves increasing research and development capabilities and functions in the province.

Exports

With a small population, Alberta relies on the sale of goods and services outside the province. The expansion of Alberta's trade is a key objective in furthering economic growth.

Balanced Regional Growth

There has been a concerted effort to work toward the elimination of population decline and economic erosion in rural areas and to ensure that the strengths of each region of Alberta are encouraged. The Alberta Government continues to encourage the equalization of economic and employment opportunities.

Transportation System Upgrading

Transportation has been and continues to be a primary influence in the realization of Alberta's economic potential. The province seeks to increase the basic transportation infrastructure, develop more specialized forms of transportation, enhance international air services, improve inter-city passenger services, and foster indigenous transport supply industries.

FOREIGN INVESTMENT IN ALBERTA

Foreign investment has played a significant role in the development of Alberta's economy, and this is expected to be the case in the future. Foreign capital fostered an agricultural export economy in the first part of the century and allowed for the rapid development of the petroleum and chemical industries following the Second World War. Many of Alberta's future development prospects - oil sands, coal mining, petrochemicals, high technology - are capital intensive. Alberta welcomes and encourages foreign investment which will be beneficial to the province.

Investment Canada

The Investment Canada Act recognizes that investment is central to economic growth and new employment opportunities and the key to technological advancement.

The Act replaces the Foreign Investment Review Act and establishes an Agency, Investment Canada, with a mandate to encourage and facilitate investment. At the same time it provides for a review of large acquisitions in Canada by non-Canadians to ensure that they are likely to be of benefit to Canada. For small acquisitions and the establishment of new businesses, no formal review is required. In most instances, non-Canadian investors need only notify the Agency of their investment.

A brief statement of information about the investment, as described in the regulations, will be filed by the investor with the Agency at any time up to 30 days following implementation of the investment.

Other Investment Canada Services

Investment Canada was created to facilitate the investment process. Investment Canada can give you useful and timely information on Canadian industry and commerce, including:

- markets in Canada and markets accessible from Canada;
- trade services;

- energy;
- transportation and communications;
- technological capabilities;
- labour;
- banking and finance;
- inactive programs;
- joint ventures and licensing in Canada; and
- planning business trips.

For more detailed information on Investment Canada contact:

Investment Canada
5th Floor W, 235 Queen Street
P.O. Box 2800, Station D
Ottawa, Ontario, Canada
K1P 6A5
Phone: (Toll Free) 1-800-267-0490
Telex: 053-4450

OR

Strategic Planning Division
Alberta Economic Development & Trade
9th Floor, Sterling Place
9940 - 106 Street
Edmonton, Alberta
T5K 2P6
Phone: (403) 427-3627

BUSINESS IMMIGRATION PROGRAM

From the investment promotion perspective, business immigration deals with entrepreneurs and investors from abroad.

The federal immigration system grants immigration status to a business immigrant who invests in a job-generating business in Canada. The federal criteria for entrepreneurial immigration require that:

1) the applicant has the intent and ability to undertake a business venture whereby employment opportunities will be continued or created for one or more Canadian residents other than the applicant and his dependents;

2) upon approval, the applicant resides in the Province, and assumes active management roles in the ongoing operation of the business;

3) the applicant establishes an active business in these areas: manufacturing products; producing or processing goods; providing services; or selling merchandise such as wholesaling, retailing, or distributing enterprises (consulting services which focus on passive foreign investment will be considered).

"Passive business proposals" which are designed to collect interest, dividends, or rent from existing properties, lend money, or speculate on real estate are not currently eligible under the program.

In addition, a new category of business immigrants called "Investor Category" was introduced recently. The investor category involves business immigrants with a personal net worth of at least $500,000, and willing to invest a minimum of $250,000 in a provincially approved project.

The Federal Government refers business proposals to the province in which they are to be located. The province makes recommendations with respect to the business plan. The final approval of the application rests with the Federal Government based on the provincial recommendations and the applicant's ability to pass the normal points system and health and security checks as required under the Canadian immigration laws.

Additional information can be obtained from:

Alberta Manpower
20th Flr., Park Square
10001 Bellamy Hill
Edmonton, Alberta T5J 3W5
(403) 427-0537

CORPORATE AND PERSONAL TAXATION

All persons who earn taxable income in Canada are subject to Provincial and Federal income taxes. The following tables present rates for both personal and corporate income.

Major Provincial Tax Rates (% of Federal Tax)

	Basic Rate %	Corp. Tax %	Small Business %	Retail Sales %
Alberta	43.5	5.0/11.0[c]	0.0/5.0	-
British Columbia	47.5[a]	16.0	8.0	7.0
Manitoba	54.0	16.0	10.0	6.0
New Brunswick	58.0	15.0	5.0/0.0[f]	11.0
Newfoundland	60.0	16.0	10.0	12.0
Nova Scotia	56.5	15.0	10.0	10.0
Ontario	50.0	14.5/15.5[d]	0.0/10.0[g]	7.0
Prince Edward Island	52.5	10	10.0	10.0
Quebec	70.0-85.0[b]	5.5/13	3.0	9.0
Saskatchewan	50.0	17	0.0/10.0[h]	5.0

a) British Columbia's individual income tax rate is 44% of the basic federal tax plus an additional 8% of total provincial tax payable, as of July 1, 1984.

b) Quebec's personal income tax rate expressed as a percentage of basic federal tax for middle income individuals is in the 70% to 85% range excluding tax points transferred from the Federal to Quebec Government.

c) Alberta's rate on manufacturing and processing income is reduced to 0.0% for small businesses and 5% for other businesses from April 1, 1985 to March 30, 1990.

d) 14.5% rate in Ontario applies to income which qualifies for the federal manufacturing and processing deduction, as well as income from mining, logging, farming, and fishing.

e) Quebec's 5.5% rate applies to active business income. Other types of income, such as investment income or income earned by financial institutions, are taxed at 13%.

f) Corporations with eligible small business income not exceeding $110,000 pay tax at 5% on the first $100,000 of income and 9% on the remainder. Corporations with eligible small business income exceeding $110,000 pay tax at 9% on the first $200,000 and 15% on the remainder.

g) Ontario's 0% rate applies to the first $200,000 of eligible small business income as long as the income is reinvested in the company and the company has less than $1 million in paid-up capital. Also, all Ontario start-up firms will be eligible for the tax exemption during their first three years of operation. The 10% rate will apply to all other small business.

h) Saskatchewan has reduced its corporate tax rate to 0% on small manufacturing and processing businesses. The 0% rate also applies to the first two years of new small businesses.

1986 Federal Income Tax Rates for Individuals

Taxable Income	Basic Tax	Marginal Rate on Excess
	$	%
less than $ 1,305.00	-	6
1,305.00	78	16
2,611.00	287	17
5,221.00	731	18
7,832.00	1,201	19
13,054.00	2,193	20
18,275.00	3,237	23
23,496.00	4,438	25
36,550.00	7,702	30
62,657.00	15,534	34

The rate schedule is indexed annually based upon the Consumer Price Index.

1986 Federal Corporate Income Tax Rate

Basic rate	46%
Abatement for income attributable to the provinces and territories	10%
Small Business Deduction - on the first $200,000[a] of income from active business carried on in Canada[b]	
Reduction for manufacturing and processing	21%
Income computed by formula	
- income not eligible for the Small Business Deduction	6%
- income eligible for the Small Business Deduction	5%
Corporate Distributions Tax[c]	12.5%
Corporate Surtax[d]	5%

a) The $200,000 annual business limit must be allocated among associated corporations and is only available to Canadian Controlled Private Corporations.

b) "Active Business" means any business carried on by the corporation other than a "specified investment business" or a "personal services business".

c) This tax applies to taxable dividends paid in years beginning after December 31, 1982, to the extent the company has retained after-tax income earned in those years that was subject to the 21% Small Business Deduction. The tax imposed is the lesser of 12.5% of dividends paid and 1/9th of the company's preferred-earnings amount at the end of the year. The tax is to be repealed after 1986.

d) Surtax imposed on federal tax before any deductions for share purchase, scientific research, investment political contribution, employment, or foreign tax credits. Effective July 1, 1985 to December 31, 1986, but does not apply to tax on income eligible for the Small Business Deduction.

Alberta has the most favourable tax structure among all Canadian provinces. We have a low level of taxation and the combination of taxes imposed on us is fair to all taxpayers in the Province, since Alberta relies very little on taxes levied directly on goods and services. Albertans enjoy the lowest provincial tax rate; our 43.5% personal income tax rate is the lowest in Canada. Individuals and businesses in Alberta benefit from the absence of retail sales and retail gasoline taxes. Alberta businesses are also free of provincial capital and payroll taxes which are sizeable in some other provinces.

The following illustrates the personal and corporate tax advantages of Alberta over British Columbia, for example.

Example 1

Assumed personal taxable income of $40,000

	Alberta	British Columbia
Personal Taxable Income	$40,000.00	$40,000.00
Federal Tax Payable (7702 + 30% x 3450)	8,737.00 + 267.91 (fed. surtax) = 9004.91	8,737.00 + 267.91 (fed. surtax) = 9004.91
Provincial Tax Payable (8737.00 x 43.5%)	3,800.60	
(8737.00 x 47.5%)		4,150.08 + 65.00 (B.C. high income surtax) = 4,215.08
Total Federal & Provincial Personal Tax Payable	$12,805.51	$13,219.99

THE ALBERTA ADVANTAGE - $414.48

Example 2

Assume corporate taxable income of $1,000,000 (large business, non-manufacturing)

	Alberta	British Columbia
Corporate Taxable Income	$1,000,000	$1,000,000
Federal Tax Payable (.46-.10) x $1,000,000	360,000	360,000
Provincial Tax Payable .11 x $1,000,000	110,000	
Provincial Tax Payable .16 x $1,000,000		160,000
Total Federal & Provincial Corporate Tax Payable	470,000	520,000

THE ALBERTA ADVANTAGE - $50,000

Example 3

Assume corporate taxable income of $150,000 (small business, non-manufacturing)

	Alberta	British Columbia
Corporate Taxable income	$150,000	$150,000
Federal Tax Payable (.46-.10-.21) x $150,000	22,500	22,500
Provincial Tax Payable .05 x $150,000	7,500	
.08 x $150,000		12,000
Total Federal & Provincial Corporate Tax Payable	30,000	34,500

THE ALBERTA ADVANTAGE - $4,500

Sources: Tax Policy Branch, Alberta Treasury;
Small Business Division, Alberta Economic Development & Trade;
Coopers & Lybrand Chartered Accountants.

COMPARATIVE LIVING COST SUMMARY

The following summary traces the expenditure pattern of a family of four, for one year. The sole wage earner has an annual salary of $40,000 and the family unit includes two children under the age of sixteen.

Living Cost Summary - 1983

	Montreal	Ottawa	Toronto	Winnipeg	Edmonton	Vancouver
Gross Income	40,000	40,000	40,000	40,000	40,000	40,000
Prov/Fed Income Tax	9,662	7,278	7,278	7,573	7,057	7,253
Disposable Income	25,896	28,280	28,280	27,985	28,501	28,305
Housing Payments (Principal, Int. Taxes)	5,716	10,883	10,262	8,604	7,299	11,109
Household Operation	2,720	2,560	2,470	2,270	2,060	1,960
Living Costs	16,350	16,050	16,800	15,840	16,460	17,010
Total Savings	1,110	(1,213)	(1,252)	1,271	2,682	(1,774)

ALBERTA ADVANTAGE 1,411 - 4,456 per year

* Estimated by the Edmonton Economic Development Authority

SOURCE: Coopers & Lybrand - Tax Facts 1985
Conference Board of Canada - Canadian Business Review
Royal Trust Survey of Canadian House Prices - Fall, 1985
Statistics Canada - #62-010, 62-001

Family Expenses

The following table illustrates family expenses (family of four) in various major cities throughout Canada. These expenses are based on 1985 prices.

	Montreal	Ottawa	Toronto	Winnipeg	Edmonton	Vancouver
Utilities	1,710	1,550	1,420	1,410	1,110	900
House Maintenance, Telephone, Insurance	1,010	1,010	1,050	860	950	1,060
Household Operation	2,720	2,560	2,470	2,270	2,060	1,960
Food	5,230	5,180	5,600	5,150	5,600	5,670
Transportation	4,020	3,750	3,840	3,510	3,870	4,210
Clothing	2,500	2,620	2,750	2,650	2,560	2,560
Household Goods	1,390	1,300	1,300	1,280	1,330	1,280
Sundries	3,210	3,180	3,310	3,250	3,100	3,290
Living Costs	16,350	16,050	16,800	15,840	16,460	17,010
TOTAL	19,070	18,590	19,270	18,110	18,520	18,970

SOURCE: Conference Board of Canada - Canadian Business Review Statistics Canada - #62-010, 62-001

Provincial Sales Tax Comparison

Based on an annual expenditure of $5,000 on goods and services, the table below shows the approximate amounts which would be paid in sales tax in other provinces.

Sales Tax Impact, 1986

	Montreal	Toronto	Edmonton	Winnipeg	Vancouver
Taxable Expenditure	$5,000	$5,000	$5,000	$5,000	$5,000
Retail Sales Tax	450	350	0	300	350
Total Expenditure	$5,450	$5,350	$5,000	$5,300	$5,350

SOURCE: Alberta Treasury, 1986 Provincial Budget Address

Natural Gas Costs

The table below illustrates the unit cost of natural gas in major Canadian cities.

	Firm Service Unit Cost -$/gigajoule April 1986
Edmonton	2.53
Vancouver	4.34
Winnipeg	4.21
Toronto	4.58
Montreal	4.86
Regina	3.36

SOURCE: Energy Pricing News, April 1986

Gasoline Expenditures

Gasoline costs are estimated assuming a total driving distance of 20,000 kilometers (12,428 miles) per year, at 6 kilometers (3.7 miles) per litre, using self-serve unleaded regular octane gasoline for fuel with prices as at December, 1985.

Yearly Gasoline Costs

	Montreal	Toronto	Edmonton	Vancouver	Winnipeg
Gasoline costs per litre (cents)	60.8	53.5	46.4	57.7	55.2
Yearly costs	2,027	1,783	1,547	1,923	1,840

SOURCE: Statistics Canada 62-010

House Payments and Property Taxes

	Montreal Longueuil	Ottawa Western	Toronto Mississauga	Winnipeg St. James Assiniboia	Edmonton West End	Vancouver Burnaby
Average Selling Price October 1985	$65,000	$108,500	$105,600	$87,000	$81,000	$110,000
Down Payment	30,000	30,000	30,000	30,000	30,000	30,000
Mortgage @ 11%	35,000	78,500	75,600	57,000	51,000	80,000
Principal, Int. Payments	4,116	9,232	8,891	6,704	5,998	9,409
Property Taxes	1,600	1,650	1,370	1,900	1,300	1,700
Annual Cost	5,716	10,882	10,261	8,604	7,298	11,109

SOURCE: Royal Trust - Survey of House Prices, Fall 1985

RESEARCH AND DEVELOPMENT
TAX INCENTIVES

Immediate tax write-offs for all expenditures are available for those corporations and individuals who invest in eligible scientific research and experimental development (R & D) projects.

To qualify for tax benefits, the R & D expenditures must relate to scientific research, which is defined as a "systematic investigation or search carried out in a field of science or technology by means of experiment or analysis". The definition is broken down into three areas:

Basic Research - namely, work undertaken for the advancement of scientific knowledge without a specific practical application in view.

Applied Research - namely, work undertaken for the advancement of scientific knowledge with a specific practical application in view.

Development - namely, the use of the results of basic or applied research for the purpose of creating new, or improving existing materials, products, or processes. Routine engineering or routine development does not qualify as R & D.

It should be noted that the expenditures eligible for tax write-off under this program will represent only part of the total cost of developing a new product and bringing it to market.

Expenditures that are normal operating expenses of a taxpayer, such as the cost of market research or surveys of customer acceptance, are not classified as "scientific research", but are deductible as ordinary expenses.

Corporations and individuals which conduct scientific research and experimental development qualify for special tax treatment in respect of those expenditures.

Eligible expenditures include those incurred for and all or substantially all of which are attibutable to the prosecution of scientific research and experimental development. Both current and capital expenditures incurred in Canada will qualify.

Current expenditures for direct costs of personnel who, while not solely involved in R & D, do directly perform R & D part of the time, or provide support services for R & D personnel, or directly supervise researchers, will be allowed as a qualifying expenditure on a prorated basis.

A capital expenditure made in Canada for equipment will qualify for R & D deduction despite any minor or incidental use of the equipment on other that R & D activities.

Expenditures in respect of R & D, net of any government or non-government assistance received in respect thereof, qualify for special investment tax credits (ITC).

Qualifying Canadian Controlled Private Corporations (CCPC) which had taxable income of $200,000 or less in their immediately preceding taxation year and individuals will earn ITC's at a rate of 35% on the first $2,000,000 of qualified expenditures on R & D. Amounts in excess of $2,000,000 will earn ITC's at a rate of 20%. Other taxpayers earn ITC at a rate of 20% on all R & D expenditures. The $200,000 and $2,000,000 limits must be shared by associated corporations.

Corporations and individuals eligible to earn ITC at the 35% rate are eligible to receive a 100% cash refund in the amount of ITC earned at that rate. This refund mechanism is an important source of financing for smaller R & D corporations.

For ITC's earned by these corporations at the 20% rate (on expenditures in excess of $2,000,000), to the extent the expenditures were made between April 20, 1983 and April 30, 1986, the ITC's will be eligible for a 40% refund. There is no similar April 30, 1986 deadline pertaining to the 100% refund.

Other corporations (those earning ITC's at the 20% rate) which made R & D expenditures between April 20, 1983 and April 30, 1986 will qualify for a 20% cash refund on those ITC's.

The February 26, 1986 Federal Budget proposed to extend this April 30, 1986 deadline to December 31, 1988. The Budget also proposed that investment tax credits in areas other than research and development to be phased out over a three year period, but are to remain unchanged as they relate to the R & D area.

For taxation years ending after May 31, 1985 a taxpayer must file a designated form with its annual income tax return to support his claim for R & D expenditures.

The following table illustrates in general terms the tax advantage to corporations for incremental R & D expenditures of $1,000:

	Gaspe & Atlantic		Elsewhere in Canada (including Alberta)	
	CCPC(1)	Other	CCPC	Other
Expenditure	$1,000	$1,000	$1,000	$1,000
Investment Tax Credit	350	300	350	200
Tax savings deduction from expense net of ITC(2)	325	350	325	400
After Tax Cost	375	350	375	400

(1) The 35% tax credit is available to Canadian Controlled Private Corporations only under certain circumstances as outlined earlier.

(2) A 50% marginal tax rate has been used throughout to simplify the illustration.

An individual incurring eligible research and development expenditures and who is in a 50% marginal tax bracket would be in the same position as the CCPC above.

Those wishing to proceed with R & D programs or offerings to the public will require the services of professional tax and legal advisors to ensure project eligibility and assess the income tax aspects related thereto.

SOURCE: Deloitte Haskins & Sells

SELECTED FEDERAL GOVERNMENT
ASSISTANCE PROGRAMS
AND SERVICES

Business Information Centres

Business Information Centres provide a regional source of information on all federal and provincial government programs and services available to Canadian business and industry. Each centre is staffed with trained personnel who can either provide immediate answers to enquiries or arrange to have an appropriate official provide the required information. There are ten Business Information Centres in Canada, with one in each province. A toll free information "hot-line" connects the business community with the nearest centre. That toll free number is Zenith 0-3200. In Edmonton, phone 420-2952. Eligibility: all businesses.

Canadian International Development Agency (CIDA)

For Canadian firms contemplating investment in developing countries, a pre-investment program is available as follows: a) The Starter Study reimbursement of up to $10,000 to travel to host country for preliminary analysis and to discuss proposal with host government and indigenous industry officials. b) The Feasibility Study reimbursement of up to $100,000 on a matching basis for a detailed evaluation of a project. Eligibility: Canadian companies who have demonstrated competency in a particular field and possess adequate resources for investment. Particular encouragement is given to joint venture proposals. (The Industrial Cooperation Division, International Development Agency, 200 Promenade du Portage, Hull, P.Q. K1A 0G4 (819) 997-5456).

Counselling Assistance for Small Enterprise (CASE)

CASE is a management counselling service which assists owners and managers of business enterprises, particularly those of small size, to improve their methods of doing business. Retired business persons perform the counselling services.

The only cost is a nominal daily fee for each counsellor assigned. Eligibility: any proprietorship, partnership, or limited company conducting virtually any type of business enterprise in Canada can apply, providing that the enterprise does not have more than 75 full time employees and has had prior discussions of its problems with its appropriate business advisor. (Federal Business Development Bank, 606 Principal Plaza, 10303 Jasper Avenue, Edmonton, Alberta T5J 3N6 (403) 420-2277).

Defence Industry Productivity Program (DIP)

The purpose of the Defense Industry Productivity Program is to assist, develop, and sustain technological capability of Canadian industry primarily for the purpose of defence export sales and also for civil export sales resulting from this capability. Type of assistance available:

(a) Research and Development - research and development of defence-related products and for sustaining the associated technology base.

(b) Source Establishment - to establish qualified Canadian suppliers of defence-related products.

(c) Capital Assistance - to acquire advanced production equipment to modernize or upgrade engineering and/or manufacturing capability in Canada for defence-related products.

(d) Market Feasibility - studies to establish the specifications and characteristics of defence-related products required to meet market demand or to determine market sector characteristics for those products when needs have been identified in Canadian or export markets.

Eligibility: Any individual, partnership, association, institution or corporate body involved in a project related to the development, manufacture or support of defence-related products. (Defence Industry Productivity Program, Department of Regional Economic Expansion, 235 Queen Street, Ottawa, Ontario K1A 0H5; or Regional Manager, Department of Regional Industrial Expansion, The Cornerpoint Building, 5th Flr., 10179 - 105 Street, Edmonton, Alberta T5J 3S3 (403) 420-2944).

Drawbacks - National Revenue - Customs & Excise

The most direct method Customs and Excise has of financially assisting Canadian businessmen is through the payment of customs drawbacks.

This is a program whereby customs duty and taxes are returned on certain imported products that have been used or disposed of in a manner that qualifies them under any of the areas of drawback. The customs drawback program would mainly be of interest to Canadian businessmen who import goods and materials to be further manufactured and exported. Eligibility: the possibility of a business qualifying for drawback should be discussed with a member of Customs and Excise. (Manager, Drawbacks, Remissions and Refunds Unit, Custom and Excise, Box 2910, 220 - 4th Avenue SE, Calgary, Alberta (403) 292-4637 or 292-4617).

Export Development Corporation

Canadian firms of any size can insure their export sales against non-payment by foreign buyers. EDC normally assumes 90% of the commercial and political risks involving insolvency or default by the buyer as well as blockage of funds, war or rebellion, cancellation of import licenses, and the like, in a foreign country, and cancellation of export permits in Canada. Insurance is available to cover sales of general commodities and services normally made on short credit terms of up to 180 days and capital goods and services, normally made on medium term credit of up to five years. Eligibility: any person operating a business in Canada and exporting Canadian goods and/or services from Canada.

EDC arranges medium and long term loans, either by separate loan agreements or by confirmed lines of credit, for foreign buyers of Canadian capital goods and services. Funds are paid directly to Canadian exporters, in effect providing the exporter with cash sales. In order to assist smaller capital goods exports requiring medium term credit, EDC is prepared to discount promisory notes, in a form acceptable to EDC, received by Canadian exporters from their foreign customers. This facility is available where competitive conditions make it impossible to conclude the transaction with normal bank financing. EDC cooperates with banks and other financial institutions, in the form of parallel loans, co-lending and participation in EDC loans. EDC may also provide a loan guarantee to a bank or other financial institution which provides a loan to a foreign buyer of Canadian capital goods or services.

More specifically, the EDC:

- provides 100% unconditional guarantees to banks that provide performance and bid-related securities in the form of an irrevocable letter of credit in favour of the buyer. Eligibility: exporters.

- issues 100% unconditional guarantees to banks and other lenders who provide non-recourse financing in respect to an EDC insured sale of capital goods (supplier credit), or who make loans to buyers of Canadian capital goods and services (buyer credit). Eligibility: exporters.

- provides insurance to cover failure of a buyer/borrower to authorize EDC to disburse loan funds in payment for goods produced or services rendered. Eligibility: exporters, suppliers, all related industries.

- provides insurance to cover a portion of the risk assumed by a domestic surety company providing a performance bond to a foreign buyer. Eligibility: exporters, lending institutions, related industries.

Eligibility: EDC considers all projects which, on their own merits and within internationally accepted practices, normally justify medium and long term loans and provide significant benefits to Canada.

In Calgary: Mr. Richard B. McCorkindale,
Manager, Alberta District
Suite #2140, Bow Valley Square #3,
255 - 5th Avenue SW
Calgary, Alberta T2P 3G6

(403) 294-0928

Federal Business Development Bank

Extends financial assistance to new or existing businesses in Canada through loan guarantees, equity financing and leasing, and assists management development through advice seminars in rural centres, conferences and training courses. Information services publishes and distributes booklets on a wide range of topics pertaining to small business, distributes bulletins on business developments and maintains reference libraries at branch offices with a variety of publications on small business management (see also Counselling Assistance to Small Enterprises (CASE)). Eligibility: most Canadian companies, particularly small business. (Federal Business Development Bank, 606 Principal Plaza, 10303 Jasper Avenue, Edmonton, Alberta T5J 3N6 (403) 420-2277). (FBDB (Calgary) 3015 - 12 Street NE, Calgary, Alberta T2E 7J2 (403) 291-4700).

Federal Industry Sector Branchs

The Federal Industry Sector, Department of Regional Industrial Expansion, has as its prime point of contact with industry the following eleven industry sector branches: 1) Agriculture, Fisheries and Food Products (613 995-8107); 2) Chemicals (613 593-4842); 3) Construction and Consulting Services (613 593-7981); 4) Distribution Services (613 593-7981); 5) Electrical and Electronics (613 593-4481); 6) Machinery (613 992-1004); 7) Resource Industries (613 992-5065); 8) Textiles and Consumer Products (613 996-0087); 9) Transportation Industries (613 995-3201); 10) Transportation Services (613 995-8308); and 11) Grain Marketing Office (613 992-7404). Eligibility: Business. (Department of Regional Industrial Expansion, Suite 505, The Cornerpoint Building, 10179 - 105 Street, Edmonton, Alberta T5J 3M8 (403) 420-2944).

The branches primary responsibilities are to:

- promote growth and competitiveness in the manufacturing processing and service sectors;

- act as contacts for the manufacturing and processing industries and selected service sectors in their dealings with the federal government;

- deliver departmental programs and services and ensure that Canadian enterprises obtain the optimal benefits from assistance and incentive programs administered by DRIE and other government departments and agencies, assist Canadian business in the identification and exploitation of both domestic and export market opportunities and safeguard business interests in international markets.

Industrial & Regional Development Program (IRDP)

Intended to support private sector initiatives, IRDP is aimed at projects, industries and technologies with the greatest potential for economic return, sustained growth and international competitiveness.

Many worthwhile projects fail because assistance is not available at a specific stage in their growth. IRDP addresses this problem by providing a range of
financial support including contributions and repayable contributions over various phases of a typical corporate production cycle. The elements of the program are:

- o innovation
- o establishment
- o modernization/expansion
- o marketing

The government will pay up to 45% of the costs of eligible activities in some parts of the province. Individual firms, associations, partnerships, cooperatives, corporate bodies, and non-profit organizations are eligible provided the project or activity is undertaken in Canada. (Department of Regional and Industrial Expansion, 5th Flr., The Cornerpoint Building, 10179 - 105 Street, Edmonton, Alberta T5J 3S3 (403) 420-2944).

Industrial Research Assistance Program

The Industrial Research Assistance Program (IRAP) is a salary support program designed to increase the calibre and scope of industrial research and development, and the solution of technical problems through the use of the latest available technology. Elibibility: Generally oriented towards small and medium-sized manufacturing firms. (CONTACT: Mr. A.W. Gilliland, 6815 - 8th Street NE, Calgary, Alberta T2E 7H7 (403) 297-2600).

National Research Council

The National Research Council provides technical information relating to industrial problems for Canadian industry in general, and small to medium sized industry in particular. Eligibility: most businesses and industries. (National Research Council, Technical Information Services, Building M-55, Rm. 279, Montreal Road, Ottawa, Ontario K1A OR6 (613) 993-3995).

Program for Export Market Development (PEMD)

This program provides incentives for Canadian firms to enter or expand foreign markets. It shares with the business community the financial risk of entering foreign markets by providing contributions of up to 50% of the costs incurred in breaking into new markets. The contributions are repayable if sales are achieved. The program is divided into seven sections: Section A, Specific Project Bidding; Section B, Market Identification; Section C, Participation in Trade Fairs; Section D, Incoming Foreign Buyers; Section E, Export Consortia Assistance; Section R, Development of Markets for Agriculture, Fisheries and Food Products; Section S, Contributions to Non-Profit Organizations. Eligibility: Canadian companies with potential for competitive performance in foreign markets. (Department of Regional Industrial Expansion, 5th Flr., The Cornerpoint Building, 10179 - 105 Street, Edmonton, Alberta T5J 3S3 (403) 420-2944).

Small Business Loans Program

Assists small business in obtaining term credit from the chartered banks under a federal government guarantee of loans to a maximum of $100,000 made by an approved lender. Eligibility: Canadian businesses with gross revenue under $2 million. (Department of Regional Industrial Expansion, 5th Flr., The Cornerpoint Building, 10179 - 105 Street, Edmonton, Alberta T5J 3S3 420-2944, or any chartered bank).

Statistics Canada

Statistics Canada has a national responsibility for collection and publishing statistical information needed by governments, industry, and the general public to understand Canadian social and economic conditions. A free catalogue listing its publications is available upon request. Eligibility: the public, industry and government. (Statistics Canada, HYS Centre, 215, 11010 - 101 Street, Edmonton, Alberta T5H 4C5 (403) 420-3027. Throughout Alberta the Edmonton office can be reached free of charge at 1-800-222-6400).

Technology Inflow Program

The Technology Inflow Program (TIP) seeks to facilitate the flow of foreign technology to Canada. Proposals for financial support are submitted from individuals or organizations in the private sector, as well as from provincial governments, universities, and federal departments and agencies. Proposals must have technical merit and the potential to obtain technology that will produce economic benefit for Canada. Financial assistance is usually in the

form of travel costs, living expenses and, in special cases, salaries of foreign experts working in Canada. CONTACT: Manager, TIP Program, Department of External Affairs, 125 Sussex Drive, Ottawa, Ontario K1A 0G2.

Western Transportation Industrial Development Program (WTID)

The WTID program is a five-year undertaking (expiring on March 31, 1988) which provides industrial development assistance to firms in Manitoba, Saskatchewan and Alberta in the manufacturing, processing and related service industries. The program, administered by the Department of Regional Industrial Expansion (DRIE), is intended to augment the assistance plans available through the Department's standard programming now mainly consolidated under the Industrial and Regional Development Program (IRDP). The WTIP program provides financial assistance for suppliers to railway and resource development projects, for food and agricultural processors, for industrial diversification projects and for related research and development. The establishment or expansion of facilities to manufacture new products in western Canada is a priority of the program. (CONTACT: Mr. Trevor Charles, Department of Regional and Industrial Expansion, 505 The Cornerpoint Building, 10179 - 105 Street, Edmonton, Alberta T5J 3S3 (403) 420-3325).

GENERAL ASSISTANCE PROGRAMS & SERVICES

The Alberta Bureau of Statistics

The Alberta Bureau of Statistics is responsible for providing statistical information on economic and social conditions in the province. It collects, compiles, analyses and publishes information on business, labour, economics, industry, government administration, and other key areas. Births, marriages and deaths are registered by the Vital Statistics Division. Eligibility: public, business. (Alberta Bureau of Statistics, Information Services, 7th Flr., Administration Building, 10820 - 98 Avenue, Edmonton, Alberta T5K 0C8 (403) 427-3058). Vital Statistics, 4th Flr., 10405 - 100 Avenue, Edmonton, Alberta T5J 0A6 (403) 427-5857).

Alberta Intermodal Services

Alberta Intermodal Services' purpose is to provide lower inland transportation costs and improved service to and from the North Pacific Coast, thereby stimulating trade.

Under a long term contract, CP Rail has been granted round-trip volume guarantees for container shipments between Alberta and British Columbia. AIS has negotiated rates that are in line with those applied to the movement of export containers in Eastern Canada.

AIS markets the rates and services of both AIS and CP Rail to the shippers and consignees in Alberta, through owned offices in Edmonton and Calgary, Alberta, and Vancouver, British Columbia.

CONTACT: President, Alberta Intermodal Services (403) 234-7505.

Alberta Opportunity Company

Alberta Opportunity Company is a crown corporation which supplies financial and management assistance to help develop Alberta businesses. This is achieved through the provision of loans or guarantees of loans, to buy land, construct or expand a building, purchase machinery or to strengthen working capital requirements. A.O.C. does not give grants and is neither a replacement for banks or other financial institutions, but provides funds where conventional financing is not readily available, particularly for small businesses in rural Alberta. A.O.C. charges a fee of 1% per year for guarantees, in addition to the interest charged by the prime lender (Bank or Treasury Branch). CONTACT: Managing Director, A.O.C. (403) 783-4481.

Alberta Stock Savings Plan

The Alberta Stock Savings Plan is an arrangement between an individual and a qualified dealer who is registered under the Alberta Securities Act, is a member of the Alberta Stock Exchange and has an office in Alberta. Under the arrangement, the investment dealer or securities broker will receive, and hold, all eligible shares purchased by the investor and designated by him to be deposited in his ASSP. In return for investing in and depositing such shares, an investor is entitled to a tax credit against Alberta tax payable.

The investor must be an individual, and cannot be either a trust or a corporation.

There is no limit to the number of Plans which an investor may have with qualified dealers. However, the investor must aggregate all his Plans in determining his tax credit, and is limited to a maximum credit of $3,000 in respect of a particular taxation year.

To be eligible for the ASSP tax credit for a particular taxation year, eligible shares must be purchased and deposited in an investor's Plan during that calendar year. CONTACT: Alberta Stock Exchange, 3rd Floor, 300 - 5th Avenue S.W., Calgary, Alberta T2P 3C4 (403) 262-7791.

Alberta Wage Subsidy Program

The Alberta Wage Subsidy Program was designed to create new job opportunities in the private sector for unemployed Albertans. Employees must be hired on a full time basis for a minimum of three months to a maximum of six months. Wages are on a cost-shared basis of up to $2.50/hr. CONTACT: Mr. Vic Hartfield (403) 427-8517.

Business Counselling Services

Counselling services are available throughout the Province from experienced business analysts and business development representatives. Merchandising, marketing, financing and manufacturing are a few of the many areas where specialized counselling services are offered.

Business Opportunity Sourcing System (BOSS)

Business Opportunity Sourcing System (BOSS) is a computer based data system developed to promote Canadian business, its products and services by making this information known to all Canada's trade commissioners abroad and other federal and provincial industry officers across Canada. BOSS is also used as an information source for the production of appropriate DRIE directories, which are frequently the principal reference services. To be included in these directories, businesses should apply to the Department. Eligibility: all Canadian business. (Department of Regional Industrial Expansion, Corporate Systems Branch, 235 Queen Street, Ottawa, Ontario K1A 0H5 (613) 992-9128) or (EDP Systems, Alberta Economic Development & Trade, 8th Flr, Sterling Place, 9940 - 106 Street, Edmonton, Alberta T5K 2P6 (403) 427-0675).

Business Site Locations Program

Small Business Division representatives are available to help businesses find locations in Alberta compatible with their requirements. Where required, site tours can be arranged and information assembled on appropriate Alberta communities.

Canada/Alberta Northern Development Agreement

The Canada/Alberta Northern Development Agreement is a 12-year agreement with the intent of better co-ordinating federal and provincial efforts in encouraging the economic development of the northern region of Alberta. Assistance is available to small and medium sized businesses, community boards, regional associations and band councils involved in the renewable and non-renewable resource sectors and service sector activities. Maximum level of assistance is 100% of eligible costs. CONTACT: Director, Canada/Alberta Northern Development Agreement (403) 624-6276.

Community Profiles

For rural location assistance, detailed community profiles are available which contain information on population, locations, transportation facilities, industrial land, utilities, building permits and other useful data. These profiles can be obtained from the Small Business Division of the Department of Economic Development and Trade.

Export Services Support Program

The Export Services Support Program is intended to encourage Alberta businesses to more aggressively pursue specific projects outside of Alberta by financially assisting feasibility and other relevant studies that could eventually lead to contracts for Alberta goods and services. This $7 million program assists Alberta based firms to participate in areas of design, engineering, construction and manufacturing that could not otherwise be undertaken. Assistance will be provided by funding 50% of approved front-end costs to a maximum of $350,000 for each project, with a $600,000 ceiling for any one applicant at one time. CONTACT: Director, Financial Programs, Alberta Economic Development & Trade (403) 427-3300.

International Marketing Program

The International Marketing Program was designed to promote development of export marketing operations in Alberta, and to provide post-secondary graduates in a related field with first hand work experience in International Marketing. The program provides funding on a cost shared basis for wages of graduates of post-secondary institutions. CONTACT: Mr. Vic Hartfield (403) 427-8517.

Loan Guarantee Program for Alberta Exporters

The Loan Guarantee Program for Alberta Exporters has been recently introduced by the Alberta Government to provide support to Alberta based businesses that are involved or intend to be involved in the export of their manufactured products outside of Alberta. The objective of this Program is to increase the financing available to Alberta based manufacturers, by guaranteeing loans made by chartered banks and Treasury Branches, providing such loans relate to specific export contracts or orders. The Program is intended to address the problems relating to working capital shortages to ensure that if an export sale is acquired, it could be financed through completion. The maximum loan amount that can be guaranteed by this Program is $5 million for any business at one time. The guaranteed loan cannot exceed 100% of the producer's costs of the total project or more than 85% of the sales proceeds of the order or contract. CONTACT: Director, Financial Programs, Alberta Economic Development & Trade (403) 427-3300.

Manufacturing and Processing Income Tax Rates

Effective April 1, 1985, Alberta's new tax rates on manufacturing and processing income have become the lowest in Canada. The existing general corporate tax rate of 11% was reduced to 5% on all manufacturing and processing income earned in Alberta. The existing small business tax rate of 5% will be reduced to zero for companies with manufacturing and processing income earned in Alberta.

Market Development Assistance Program

The Market Development Assistance Program can provide assistance to Alberta businesses that are interested in enhancing their export potential. Eligible companies can receive financial assistance that can cover a portion of the costs incurred for market identification trips, out-of-province trade fairs and exhibitions, incoming buyer visits, and outgoing sales trips. The total grants allowed per applicant company within any fiscal year is $7,500. CONTACT: Assistant Deputy Minister, Trade Development Division, Alberta Economic Development & Trade (403) 422-2500.

Product Development Program

The Product Development Program has been established to assist Alberta manufacturers that wish to improve the design and quality of their existing products or develop new and innovative products. This program can enable eligible proposals to recover as much as 75% of the cost of product development to a maximum of $30,000 per project. The program is co-sponsored by Alberta Economic Development & Trade and Design Canada of the Department of Regional and Industrial Expansion. CONTACT: Executive Director, Industry Development Division, Alberta Economic Development & Trade (403) 427-2005.

Small Business Equity Corporations Program

The Small Business Equity Corporations Program (SBEC) is designed to stimulate the formation of pools of equity capital throughout the province. These pools are privately organized, privately capitalized and privately managed. Once incorporated as an SBEC, individual investors may apply for a grant equal to 30% of their investment, while corporate investors may apply for a "certificate of corporate investment" to file with their income tax return, yielding a refundable tax credit of equal to 30% of their investment. The SBEC would then be required to place equity investments in eligible small business that is incorporated under the Business Incorporations Act of Alberta. CONTACT: Director, SBEC, Small Business Division, Alberta Economic Development & Trade (403) 422-5025; 1-800-262-9054 (toll free).

Small Business Term Assistance Program

The Small Business Term Assistance Program involves the establishment of a $750 million small business loan program to improve access of small businesses to fixed-rate, fixed-term debt financing. Eligible small businesses are those having majority ownership by Alberta residents and deriving at least 50% of income from active business sources. For more information contact: Small Business Term Assistance Program, Alberta Economic Development & Trade (403) 422-7002.

Vencap Equities Ltd.

Vencap Equities Ltd. has been established by the Alberta Government to encourage investment in the high risk and new technology areas. This venture capital firm is capable of investing in Alberta corporations that have substantial growth prospects which would lead to further diversification of the Alberta economy. Vencap is funded by a $200 million loan from the Alberta Heritage Savings Trust Fund and by another $44 million from the sale of shares and debentures to the public. CONTACT: President, Vencap Equities Ltd. (403) 420-1171.

SECTOR SPECIFIC ASSISTANCE PROGRAMS & SERVICES

AGRICULTURE (inc. Food Processing)

Alberta Development Corporation

The Alberta Development Corporation (ADC) is a crown corporation that is involved in both direct lending programs and loan guarantee programs to Alberta farmers and agribusinesses. The Corporation acts as a primary lender to beginning farmers, providing loans at interest rates below market value. Direct loan programs are also available to other farmers and agribusinesses, however, applicants must demonstrate no other reasonable sources of financing are available. CONTACT: Managing Director, ADC (430) 679-1301.

Alberta Farm Credit Stability Program

The new Alberta Farm Credit Stability Program provides $2 billion of long term, 20-year money at predictable 9% interest rates. Farmers and ranchers will be able to plan ahead with certainty as to the cost of credit.

Fixed 9% interest rates for two decades provides stability to family farms and removes uncertainty by flattening out the risk of fluctuating interest rates. Existing farm debt can be restructured and consolidated and new loans secured for up to $200,000 per farm family. CONTACT: Mr. Ken Moholitny, Program Administrator. (403) 422-9167.

Alberta Food Park

A food park is a term we use to describe what is essentially an industrial park for frozen or refrigerated food processing and beverage companies. Savings are available to frozen food processing companies through economics of scale in a food park, whereby costly freezing equipment and storage facilities are either jointly owned or owned by a separate developer and transportation/distributional requirements can be coordinated among several processors in the food park to achieve lower overall costs. CONTACT: Mr. Charles Lau, Alberta Food Park (403) 235-6789.

Farming for the Future Program

The Farming for the Future Program funds research activities that are aimed at improving net farm income and the long term viability of Alberta's agricultural sector. Since its inception in 1979 the program has funded over 300 individual research projects that have involved such diverse areas as the

development of higher yielding crops to land utilization and farm management issues. The program's annual budget is approximately $5 million from the Alberta Heritage Savings Trust Fund. CONTACT: Research Division, Alberta Agriculture (403) 427-1956.

Food Processing Development Centre

In 1984, the Alberta Government opened the Food Processing Development Centre in Leduc. The objective of this research centre is to increase the capability of Alberta's food processors to meet the needs of the marketplace through application of new technology and development of new products and processes. Research will range from product development to processing and packaging, and will include meat, dairy, oilseed, vegetable and cereal products. CONTACT: Director, Food Processing Development Centre, Alberta Agriculture (403) 986-4793.

Guarantee Program to Assist Alberta Farm Implement Dealers

The Guarantee Program to Assist Alberta Farm Implement Dealers is intended to support Farm Implement Dealers in obtaining working capital loans to sustain operations until conditions in the industry improve. The government will guarantee loans made by financial institutions after the lenders undertake a normal credit assessment. Schedule "A" chartered banks or Treasury Branches are approved to make these loans. The loans are subject to a maximum of $250,000 to any one dealership and will be available only once during the lifetime of the program. The guarantee would be in force for the term of the loan, but not after December 31, 1987. CONTACT: Director, Financial Programs, Alberta Economic Development & Trade (403) 427-3300.

Nutritive Processing Agreement

The Nutritive Processing Agreement (NPA) makes grants available of up to 35% of capital costs (building and equipment) to food processing and pharmaceutical companies locating in Alberta for the establishment of facilities under the Canada/Alberta Nutritive Processing Agreement. A renewed N.P.A. has been approved for $50 million over a five-year term beginning October 1, 1985. The agreement has been expanded to include all urban centres, including Edmonton and Calgary. CONTACT: Executive Director, Rural Development, Alberta Agriculture, (403) 427-4287.

CONSTRUCTION & ENGINEERING

Centre for Frontier Engineering Research

The recently established Centre for Frontier Engineering Research (CFER) at the University of Alberta will be focusing on research and evaluation of materials and fabrication processes primarily related to steel structures for use in cold climates. The research conducted by CFER will be of interest to those businesses that are involved with construction activities in the high arctic. CFER's sponsors include Alberta Economic Development & Trade, the National Research Council, and the Devonian Group of Charitable Foundations. CONTACT: President, CFER, University of Alberta (403) 432-5108.

ENERGY

Alberta Oil Sands Technology and Research Authority

The Alberta Oil Sands Technology and Research Authority provides grants and contracts to universities and companies to develop new technology for the recovery and processing of petroleum from the Alberta oil sands and heavy oil deposits, and for the enhanced recovery of petroleum from conventional reservoirs. AOSTRA is mainly funded by contributions from the Alberta Heritage Savings and Trust Fund. CONTACT: Chief Executive Officer, AOSTRA (403) 427-7623.

Coal Research Centre

The Coal Research Centre in Devon conducts studies ranging from improving conventional coal cleaning methods to frontier research on converting coal to synthetic fuels such as oil and gas. The coal research programs of the Alberta Research Council, the Federal Western Research Laboratory and the Alberta Coal Mining Research Centre are conducted at this facility which was opened in 1984. CONTACT: Head, Coal Research Department, Alberta Research Council (403) 987-8118.

Energy Conservation and Renewable Energy

Project funding contributions are available from Alberta Energy and Natural Resources for contract research, development, and demonstration of cost effective energy conservation and renewable energy technologies in Alberta. The emphasis is on energy conservation in buildings and waste heat recovery

within Alberta's major industrial/commercial sectors and agriculture. CONTACT: Director, Energy Conservation and Renewable Energy Research, Alberta Energy & Natural Resources (403) 427-2983.

Oilsands and Enhanced Oil Recovery Projects

In the spring of 1983, the Alberta Government and the Federal Government offered tax and royalty incentives that helped to reduce some of the front-end risk associated with Oilsands and Enhanced Oil Recovery (EOR) Projects. These incentives included exemption from the Petroleum and Gas Revenue Tax (which has been eliminated for new projects as a result of the Western Accord); world oil prices for project's oil production (which is now guaranteed for all oil production under the Western Accord); 30% depletion allowance against federal and provincial income tax; and a reduction of provincial royalties to a nominal level. These provisions will remain in effect until the projects have recovered their capital costs, including a 10% return on investment.

FORESTRY

Canada-Alberta Forest Resource Development Agreement

This Agreement provides grants through contractual arrangements to eligible companies to undertake programs that are designed to increase forest productivity in Alberta. Under the terms of this Agreement, $23 million have been committed to funding these programs for the period between June 1984 and March 31, 1990. The Agreement seeks to encourage industry to further improve forest management practices, to develop cost competitive methods and products for the utilization of hardwoods, and to raise public awareness of forestry issues. These activities will include a strong emphasis on applied research and development and related technology transfer. The Agreement is jointly administered by Alberta Forestry and the Federal Department of Energy, Mines and Resources. CONTACT: Ted Szabo, Manager, Forest Products Research, Suite #930, 9942-108 Street, Edmonton, Alberta T5K 2J5 (403) 422-7011

MEDICAL RESEARCH

Alberta Heritage Foundation for Medical Research

Alberta Heritage Foundation for Medical Research was established from the Alberta Heritage Savings Trust Fund in 1979. Its objective is to establish and support a balanced, long-term program of medical research based in Alberta. The Foundation activities are directed towards the discovery of new knowledge and the application of that knowledge to improve health care. Support is provided to basic and clinical scientists investigating a broad spectrum of disciplines such as: biochemistry, microbiology, pediatrics, immunology, neurology, and many others. CONTACT: President, Alberta Heritage Foundation for Medical Research (403) 423-5727.

MOTION PICTURE INDUSTRY

The Alberta Motion Picture Development Corporation (AMPDC)

The Alberta Motion Picture Development Corporation (AMPDC) has been created by the Alberta Government to stimulate the growth of the motion picture industry in Alberta by making loans or guaranteeing loans to qualified producers. The AMPDC is authorized to make loans or loan guarantees of up to 60% of the total funds required for the pre-production stage of a motion picture. The AMPDC operates by means of a grant from Alberta Economic Development & Trade CONTACT: President, AMPDC (403) 678-2525.

SCIENCE AND TECHNOLOGY

Alberta Laser Institute

In June 1985, the Alberta Government announced that it will provide funding assistance of $5 million over five years to the Alberta Laser Institute. Recently formed by the University of Alberta, the Laser Institute has been established to encourage and assist Alberta industry with the development and implementation of laser systems to provide more cost effective production technology, thus helping to ensure Alberta companies remain competitive in world markets. The Alberta Laser Institute emphasizes the application and development of laser technology in three major areas of specialization: automated manufacturing and robotics; materials handling and manipulation; and microelectronic chip fabrication. It is the first laser centre in Canada that is oriented towards industrial application of the technology. CONTACT: President, Alberta Laser Institute (403) 432-3333.

The Alberta Microelectronics Centre

The Alberta Microelectronics Centre is the first of five such centres to be established in Canada by the Federal Government and its objective is to encourage the application of microelectronics in manufacturing and processing industries. The importance of the centre is to act as a catalyst in bringing together government support, University and Alberta Research Council expertise, local electronic companies, and venture capital interests. CONTACT: General Manager, Alberta Microelectronics Centre (403) 432-3914.

Alberta Research Council

The Alberta Research Council (ARC) is a crown corporation dedicated to promoting responsible economic development in Alberta through science and technology. Research activities include transportation engineering, surface water and chemical processing. It also manages research projects on forest products, electricity and alternate energy and energy conservation. An Advanced Technologies Department focuses on microelectronics, computing and automation technologies. This department is directed toward enhancement of existing industries and development of new ones based upon the new technologies. ARC also provides short-term advisory and technical services to Alberta manufacturing companies.

Currently underway at the ARC is a joint venture program. This program offers ARC facilities and experience in research and development to high technology firms wishing to pursue their own projects in cooperative joint research arrangements. ARC will share equally in the funding of each joint research

project up to a maximum of $500,000 per year (up to four years with an option). The ARC will share in the licensing of the technology developed; they do not wish to take an equity position. Preferred areas of interest include man/computer/machine interface, biotechnology and chemical catalysis.

The ARC also administers locally the National Research Council's "Industrial Research Assistance Program" (IRAP). This program was established to further economic development of Canada through encouragement of R & D and increased utilization of science and technology.

Through IRAP, the scientific, technical and R & D management resources of NRC and other research organizations such as the ARC are able to assist industry to increase the calibre and range of industrial research and development across Canada and to foster the use of available technology.

Financial Assistance will apply toward salaries and fringe benefits paid by the companies to the scientific and technical staff engaged in projects of high technical merit. There are six elements of the program providing assistance for: field advisory service, technical information service, contributions to firms employing undergraduates, contributions to laboratory investigations, contributions to small projects and contributions to large projects. (Alberta Research Council, P.O. Box 8330, Postal Station F, Edmonton, Alberta T6H 5X2 (403) 450-5111).

Alta-Can Telecom Inc.

In 1982 Alta-Can Telecom Inc. was founded as a high technology subsidiary of Alberta Government Telephones.

Initial funding of $10 million permits Alta-Can Telecom to enter into joint venture agreements with private firms to research, develop and manufacture high technology communications systems aimed at world markets. CONTACT: Norman W. Clark, Alta-Can Telecom Inc., Floor 26H, 411 - 1 Street SE, Calgary, Alberta T2G 4Y5 (403) 231-8269.

Electronics Industry Information Centre

An initiative by the Alberta Government, announced in April 1985, will create an Electronics Industry Information Centre. The development of electronics products is directly linked to the availability of technical information. Because information grows at a fast rate and not all companies have the necessary means to access that information, development of new products and new ideas is sometimes delayed or impeded. The Information Centre will create

a computerized network linked to an information bank, from which Alberta manufacturers can access the most up-to-date technical and design information available. The Government of Alberta will contribute approximately $1.5 million to the centre. CONTACT: Regional Vice President, Alberta Research Council (403) 297-2601.

Electronics Test Centre

The Electronics Test Centre is sponsored by the Alberta Research Council and is funded in part by a $6.2 million capital grant from the Alberta Heritage Savings Trust Fund. Its total development cost is estimated at approximately $10 million. The facility provides a centre for testing and certification of electronics products. It also provides product evaluation and research support to the industry. The Test Centre is located at the new Alberta Research Council complex in South Edmonton. The initial service being offered involves evaluation of electronic equipment from a standpoint of user safety. When complete, the centre will include six evaluation and research facilities. CONTACT: General Manager, Electronics Test Centre (403) 438-1555.

Microchip Design and Fabrication Facilities

The Alberta Government announced in April 1985 that it is committed to continue the expansion of the electronics industry in Alberta by establishing the Microchip Design and Fabrication Facilities. The Design Centre will be located at the University of Calgary with the Fabrication Facility to be located at the University of Alberta. Both facilities will be managed by the Alberta Microelectronics Centre. The Government of Alberta will contribute $13 million for the first three years of the centres' operation. The centre will provide microchip design and fabrication assistance to industry, and enhance microelectronics development by providing a learning centre for training engineers. CONTACT: General Manager, Alberta Microelectronics Centre (403) 432-3914.

Supercomputer Project

Alberta Economic Development & Trade has allocated funding of $2.6 million to be used to purchase computer time on the Supercomputer at the University of Calgary. This represents the Province's first installment of Supercomputer time which will eventually total $10 million. This purchased time is for the benefit of both industry and universities in Alberta and will act as an incentive to support Alberta's growing high technology industry. CONTACT: Vice President - Research, University of Calgary (403) 284-5617.

TOURISM

Canada/Alberta Tourism Agreement

The Canada/Alberta Tourism Agreement provides incentives to encourage new private sector investment in Alberta's Tourism industry. The Agreement consists of six programs representing identified priorities for development and assistance. The six programs include assistance for:

1) Facility and Product Development
2) Alpine Ski Facility Development
3) Market Development
4) Training and Professional Development
5) Industry and Community Support
6) Opportunities Analysis and Evaluation

For more information on the Canada/Alberta Tourism Agreement contact: Mr. Neil Taylor, Director, Canada/Alberta Tourism Agreement, 16th Floor, 10025 Jasper Avenue, Edmonton, Alberta T5J 3Z3 (403) 422-0312.

MUNICIPAL GOVERNMENT PROGRAMS AND SERVICES

Numerous municipal programs and publications are available in Alberta. In order to learn more about these aides to business, you should contact the city and town economic development officers directly,

A list of city economic development officers follows. For a complete listing of the town economic development officers please refer to the "Directory of Economic Developers in Alberta" (see bibliography).

City of Calgary
Economic Development Authority
401 Burns Building
237 - 8th Avenue SE
P.O. Box 2100, Stn. M
Calgary, Alberta
T2P 2M5
(403) 268-2771

Calgary Research & Development Authority
140, 6815 - 8th Street NE
Calgary, Alberta
T2E 7H7
(403) 295-1011
(President)

City of Camrose
5204 - 50th Avenue
Camrose, Alberta
T4V 0S8
(403) 672-4426
(Ec. Dev. Officer)

City of Drumheller
P.O. Box 430
Drumheller, Alberta
T0J 0Y0
(403) 823-6300
(Ec. Dev. Officer)

City of Edmonton
Economic Development Authority
Suite 2410, Oxford Tower
10235 - 101 Street
Edmonton, Alberta
T5J 3A7

Edmonton Research & Development Park Authority
1621, 10104 - 103 Avenue
Edmonton, Alberta
T5J 0H8
(403) 428-9431
(403) 342-8106
(Director, Ec. Dev.)

City of Fort McMurray
9909 Franklin Avenue
Fort McMurray, Alberta
T9H 3E1
(403) 743-0000
(City Administrator)

City of Grande Prairie
9902 - 101 Street
Grande Prairie, Alberta
T8V 2P4
(403) 539-8000

Leduc/Nisku Economic Development
Authority
5304 - 50 Street
P.O. Box 1949
Leduc, Alberta
T9E 2Z2
(403) 986-9538
(Economic Development Officer)

City of Lethbridge
910 - 4th Avenue S
Lethbridge, Alberta
T1J 0P6
(403) 320-3910
(Ec. Dev. Officer)

City of Lloydminster
5011 - 49 Avenue
Lloydminster, Alberta
S9V 0T8
(403) 825-6184
(Development Officer)

City of Medicine Hat
580 - 2nd Street SE
Medicine Hat, Alberta
T1A 0C7
(403) 529-8353
(Manager, Ec. Dev.)
(403) 428-5464
(Business Dev. Dept.)

City of Red Deer
P.O. Box 5008
3 Flr., City Hall
4914 - 48 Avenue
Red Deer, Alberta
T4N 3T4
(403) 342-8106
(Director, Economic Development)

City of Spruce Grove
P.O. Box 130
Spruce Grove, Alberta
T0E 2C0
(403) 962-2611
(Director, Economic Development)

City of St. Albert
5 St. Anne Street
St. Albert, Alberta
T8N 1E8
(403) 459-6601

City of Wetaskiwin
Box 6266
Wetaskiwin, Alberta
T9A 2G3
(403) 352-3344
(Economic Dev. Officer)

Edmonton Research and Development Park

The Edmonton Research and Development Park is a 65 hectare research park located in the Millwood section of the City of Edmonton. The purpose of the park is to foster research and development which will encourage the development of a spin-off high technology industry in the Edmonton area. Light production and prototype manufacturing is allowed in the Park as long as a minimum of 15% of a firm's activities are channeled into research and development work. The Park also has a multitenant research facility, currently housing numerous companies engaged in research and development activities.

Adjacent to the Edmonton Research and Development Park is the Alberta Research Council's new 26,000m^2 facility, where research in coal, oil sands, frontier sciences, engineering and natural sciences is being carried out. The ARC facility houses the new Electronics Test Centre, a sophisticated facility for the certification and testing of electronic products as well as providing technical information. (Edmonton Research & Development Park Authority, 1621, 10140 - 103 Avenue, Edmonton, Alberta T5J 0H8 (403) 428-9431).

Calgary Research and Development Park

The Calgary Research and Development Park is a quality concept, providing a unique research and working environment for research and technology oriented activities and for high technology manufacturing related to on-site research and development. With 431 hectares available for development, the Park is being designed to attract tenants in such diverse areas as energy, chemicals, computer technology, communications, instrumentation, and medical/pharmaceutical/veterinary and food research.

Another research park in the City of Calgary is the University Research Park located near the University of Calgary. This 105 acre park houses the research facilities of Shell Canada Resources Ltd., Petro-Canada, the Canadian Energy Research Institute, the Institute of Sedimentary and Petroleum Geology, the Computer Modelling Group, the Petroleum Recovery Institute, the Vocational and Rehabilitation Research Institute, the Alberta Research Council and Core Laboratories Canada Ltd. (Calgary Research and Development Authority, Suite 140, 6815 - 8 Street NE, Calgary, Alberta T2E 7H7 (403) 295-1011).

ROLES OF SELECTED ALBERTA GOVERNMENT DEPARTMENTS AND AGENCIES

The following departments of the Alberta Government may provide valuable assistance in your business decisions:

a) Department of Economic Development & Trade

The Department is responsible for the implementation of the economic strategy of the Government of Alberta. This economic strategy involves the building on the strength of our base industries of agriculture and energy, striving to diversify the Alberta economy and continuing to encourage balanced growth throughout the province. (Alberta Economic Development & Trade, Sterling Place, 9940 - 106 Street, Edmonton, Alberta T5K 2P6).

Financial Programs Division

Responsible for the financial structure and the general supervision of various Government initiatives to enhance the business environment and the economic development of Alberta. This involves the establishment of various programs for financial assistance to the private business sector and review of various proposals submitted on a special/extraordinary basis. The form of assistance is structured to meet the particular needs of the qualified applicant and may take the form of loans, grants, investments or loan guarantees.

The Division makes recommendations to the Government on new and/or revised policies to enhance the economic development of the Province and cooperates fully with other Divisions in the Department as well as other Government Departments to achieve the desired results.

Industry Development Division

The purpose of this Division is to enhance the performance and development of the following industries: chemicals and petrochemicals, metals and minerals, advanced materials, plastics, forest products, food products, furniture and other consumer products, construction, engineering and consulting, energy products, and electronics, industrial products, finance, offsets, and motion pictures. This Division also actively promotes Alberta industry to foreign investors. Companies or individuals proposing major investment in Alberta are encouraged to meet with this group early in their planning process.

Trade Development Division

The purpose of this Division is to assist the Alberta manufacturing and consulting sectors to expand export sales of goods and services in order to maximize the economic potential of Alberta. By participation in major world trade shows and by taking trade missions throughout the world, this group promotes the export of products and services. The Division also assists in the development of joint ventures and consortia in the foreign trade area.

Small Business Division

Individuals or firms wishing to start a business in Alberta will find it helpful to turn to the Small Business Division where they can obtain in-depth information on the business sector as well as counselling and locational advice. The Division is staffed with experienced business analysts and business development representatives whose skills and detailing knowledge of the Province are available to all businesses or individuals.

Strategic Planning Division

This Division is responsible for economic structural analysis, analysis of the future, the development of priorities and evaluations. It also coordinates Alberta's participation in the review process of applications to Investment Canada.

Transportation Services Division

This Division coordinates the review and analysis of transportation issues, policies and programs essential to the development of transport in the province and the efficient movement of goods from Alberta. It can assist an investor or buyer of Alberta goods with freight rate information and other information pertaining to the movement of goods.

The officials of the Department of Economic Development & Trade are available to meet with companies proposing investments in Alberta and to assist them in any way possible. They are also able to assist companies in making arrangements with companies in Alberta. This role is limited to introduction of the two parties to each other. Thereupon it is up to the companies to pursue the discussions and to enter into mutually beneficial business arrangement.

b) Department of Energy

The Department is responsible for the administration of Alberta's energy and mineral resources. (9915 - 108 Street, Edmonton, Alberta T5K 2C9 (403) 427-3590).

Alberta Energy Resources Conservation Board

Under the Statutes of Alberta, the Energy Resources Conservation Board is charged with certain energy resource and environmental management functions with regard to oil, gas, oilsands, pipelines, electrical energy and coal. The Board is also responsible for the preservation and effective use of certain of Alberta's energy resources.

Under the Oil & Gas Conservation Act, the Board, with the approval of the Lieutenant Governor in Council (ie. Cabinet), may grant an Industrial Development Permit for the use of gas, methane, ethane, propane, butanes, pentanes plus, condensate, crude oil, crude bitumen, or synthetic crude oil, or any primary derivative of them or any of them as a raw material or fuel in an industrial or manufacturing operation. Permits are not required where the total quantity of energy in the energy resource used in any year as raw material and fuel does not exceed one trillion British thermal units (1.1 x 1014 joules). A similar provision exists in the Coal Conservation Act regarding the use of coal or a coal product as a raw material, reductant, or fuel in an industrial or manufacturing operation. (640 - 5th Avenue SW, Calgary, Alberta T2P 3G4 (403) 297-8311).

c) Department of Environment

This department is responsible for the coordination of the policies, programs, services and administrative procedures of departments and agencies of the Government in matters pertaining to the environment. The Industry Development Division of Alberta Economic Development and Trade works closely with Alberta Environment and will help to introduce companies to this department.

Major environmental guidelines for petrochemical projects are published by Alberta Environment in conjunction with the Energy Resources Conservation Board under the Industrial Development Permit Application guidelines. These guidelines detail the amount of information that must be provided to the Department of Environment regarding the environmental impact of the proposed projects. (Standards and Approvals Division, 4th Flr., Oxbridge Place, 9820 - 106 Street, Edmonton, Alberta T5K 2J6 (403) 427-5883).

d) Department of Forestry, Lands and Wildlife

The new Department of Forestry's primary function is to expand Alberta's forest sector. Greater use of hardwood resources and expansion of the pulp and paper industry will be emphasized by encouraging new major projects and research initiatives. Assistance will be provided to modernize existing sawmill and panelboard plants. New technologies, transportation improvements, and marketing assistance will be made available to help small-scale forestry producers. The new Department will also continue its high priority on the proper planning and management of our lands, fish, and wildlife resources. (9915 - 108 Street, Edmonton, Alberta T5K 2C9 (403) 427-3542).

e) Department of Technology, Research and Telecommunications

The responsibility of this new Department is to lead in promoting diversification of the province, especially by focussing on advanced technologies generally, and information and communications particularly. The Department also promotes Alberta as a national and international centre for research on, and the commercial application of, advanced technologies.

Finally, the Department is also responsible for ensuring that all Albertans are served by high quality, reliable and affordable communications systems and information services, and to actively support the development of intellectually and technologically advanced communication systems and information services in Alberta. (12th Floor, Pacific Plaza, 10909 Jasper Avenue, Edmonton, Alberta T5J 3M7 (403) 422-0561).

f) Department of Tourism

The primary objectives of the Department of Tourism are to develop Alberta as a major year-round travel destination area and to foster planned development of facilities, events and attractions to meet the needs of resident and non-resident visitors. Assistance is offered through the Travel Industry Association of Alberta (403) 250-2760, and through the Department's Marketing (403) 427-4823 and Development Branches (403) 427-2501.

INVESTMENT OPPORTUNITIES IN ALBERTA

The Department of Economic Development & Trade has identified process and manufacturing industry development opportunities which are available for direct investment, joint venture and licensing arrangements in the Alberta industry. Opportunities have been identified in the following areas:

Expansion and diversification of the process and manufacturing industry in Alberta is actively encouraged. It is Alberta Government policy to encourage local processing of resources to obtain maximum employment and investment benefits from resource up-grading as a means to achieve the goal of further diversification.

Manufacturing volume has risen steadily over the past decade, particularly in sectors such as petroleum refining, chemical and chemical products, metal fabrication/machinery, food processing and beverage sectors where expansion has closely related to energy resources development, new construction and population growth in the Province. The foundation for further diversification of the Alberta industry has been established. Furthermore, Alberta is also at the centre of the growing Western Canadian market and is located favourably to supply the north-western United States markets.

Petrochemicals

Alberta already has a moderate sized petrochemical industry based on plentiful supplies of hydrocarbon resources. This industry is competitive in international markets and offers future investment opportunities for the manufacture of additional ethylene derivatives. These could be made from ethylene purchased from existing and expected world scale crackers based on ethane or from captive facilities built in conjunction with derivative plants. Significant volumes of other natural gas liquids and refinery off-gases offer other upgrading opportunities.

Alberta's position as Canada's major source of natural gas and as the world's largest source of export sulphur has led to the development of a large fertilizer industry which serves most of western Canada and much of the U.S. northeast. These strengths, and markets are expected to continue to grow, will place Alberta in an increasingly advantageous position for fertilizer manufacture.

Non-Commodity Chemicals

Western Canada's resource based economy coupled with the availability of products and by-products from Alberta's petrochemical industry suggest some attractive opportunities for non-commodity chemical manufacture. Surfactants based on ethylene oxide, products based on sulphur, agricultural chemicals, amines and styrene derivatives are examples of products that could benefit from the availability within Alberta of raw materials, skilled personnel and infrastructure that have developed as a consequence of Alberta's petrochemical, refinery and oil and gas industries. Western Canadian markets for these and other specialty products in the oil and gas, agricultural, pulp and paper and mining industries are currently largely served by imported products and represent excellent opportunities for local Alberta manufactures.

Energy

Abundant supplies of low cost energy and fuel products make Alberta a favoured location for coal mining and research, coal gasification or liquification, development/use of coal methanol slurries for fuel, methanol, methyl tertiary butyl ether (MTBE) for fuel, oil sands research and development.

Metals and Minerals

Recommended areas of development opportunity for the metal and minerals industry in Alberta include catalyst, heavy metals, alloy and special steels, flat rolled steel products (hot or cold rolled, galvanized or coated), structural shapes, wire rod, specialty pipe, manganese/abrasion resistant steel castings, valve and pump.

Food Industry

The food and beverage industry is the dominant industry in Alberta manufacturing, accounting for over $3.3 billion, more than one quarter of Alberta's total manufacturing. There are opportunities for further development of the food processing industry in Alberta due to Alberta's solid base of agricultural resources, the strong Alberta economy, growing Western Canadian food market and favourable transportation factors in serving the western market.

Further development of the food processing industry in Alberta is encouraged by the provincial government as part of its strategy to diversify and strengthen the Alberta economy. Following are suggested areas for development in the secondary and tertiary food sub-sectors of the Alberta industry.

Frozen Foods - prepared poultry, prepared meat entrees, potato products, bakery products, baked desserts, breakfast items, prepared complete dinners, pasta dishes, gourmet oriented foods.

Specialty foods - meat products (flaked meats, fabricated meat, specialty sausages, pate, prepared meat products for food service markets), snack foods, specialty and dehydrated vegetables, specialty cheeses, salads, dressings, spreads, soups, condiments, ethnic foods, vegetable oil products, vegetable protein items, biscuits, confectionary, beverages.

Forest Industry

Due to the large volume of uncommitted timber in Alberta, opportunities for joint-venture manufacturing in the forest industry are numerous. Coniferous species of spruce and pine with large quantities of deciduous poplar species offer attractive development potentials. Specific areas of opportunity include utilization of aspen for the production of forest products, newsprint and coated printing paper, sawmills for hard and softwood lumber, boards and furniture dimensions, softwood and hardwood board plants, laminated veneer lumber mills, medium density fibreboard and hardboard mills, household furniture, kitchen cabinets, upholstered furniture and bedding, factory built houses, (including mobile modular, prefabricated and closed panel houses), pallets and other material handling systems, industrial shelters and camps, and preserved and fire retardent wood products.

Agricultural Machinery

Alberta is an annual half billion dollar growing market for the farm implement industry. Its farm implement manufacturers currently export 60% of provincial production outside the province, primarily to the other prairie provinces and north western U.S. - testimony to the durability of the Alberta product, the service provided by its companies and stability of the industry. Many of the products produced are recent and innovative steps toward greater agricultural productivity - efficient solutions to productivity problems.

Investment opportunities for the following types of agricultural implements exist in the province - cultivators, chisel plows, self propelled and high capacity output sprayers, fertilizer applicators - both liquid and solid, grain aeration and drying systems, complete grain handling, tilling and cleaning systems, hay handling and storage systems, rotary and pull type combines, swathers and direct cutting machines, irrigation systems, wear parts. Innovative electronic control systems and irrigation systems are also manufactured and provide excellent investment opportunities.

Engineering Consulting

Over the long term, Alberta's development of natural resources has, from time to time, created opportunities in certain disciplines and specialties such as chemical and process engineering, instrument and control engineer electronics, large project management capability, mining, forestry, metallurgical, tool and die engineering.

In the shorter term, some potential opportunities might exist in specialty areas like pipe stress analysis, rotating machinery, heavy oil upgrading technology, energy conservation technology, coal mining and hydroelectric development.

Furniture

The institutional and office furniture manufacturing sector is gaining prominence and Alberta is identified as the hub of Western Canada and the Pacific Northwest.

The furniture sector requires local availability of product components such as molded foam products, hardware and related parts. Opportunities in finished product areas including furniture to meet needs of computer and other electronic hardware within the office environment, institutional and residential.

Machinery, Metal Fabrication, and Transportation Equipment

These sections account for about 20% of the value of shipments from the manufacturing sector. They have a profile of strong stable growth which has resulted in an industry with adequate physical, human and financial resources.

Many products and sectors have been identified as possible investment opportunity areas such as heating, ventilation and air-conditioning equipment; materials handling equipment; packaged process equipment; special transportation equipment; environmental equipment; components for mining, construction and aircraft; automotive parts; valves, pumps, alloy tubing; and pipe fittings.

Plastics, Rubber & Textiles

As a result of the bountiful availability of oil and natural gas within the Province of Alberta, various grades of polymeric materials such as polyethylene, polyvinyl chloride and phenol formaldehyde are made locally. Viable business opportunities exist because the market area is expanding and most parts of the industry sector are immature, underdeveloped and in many areas, completely unexploited. Suggested opportunities lie in two major areas.

First, the introduction of secondary manufacturing processing methods which are not presently being employed within the region. For example, sheet extrusion, reaction injection moulding, stretch blow moulding, calendering, plastisol spreading etc. Second, the manufacture of products for local and export consumption which are presently being brought in from outside the market area. Many high volume, consumable type products fall into this category. For example, plastic products used in clinics and hospitals, food and beverage containers and many types of clothing and textiles.

Electrical/Electronics

The electrical/electronics industries in Alberta benefit from a good supply of highly trained people from the province's universities and technical institutes. Close cooperation between universities, research organizations and industry is helping to keep Alberta firms at the forefront of technology. The industry benefits from a secure power supply at competitive prices and the spin-off opportunities arising from Alberta development of its natural resources and agricultural base.

There are opportunities for the manufacture of power equipment, motors, electrical conduit, appliances, telecommunications equipment, pole line hardware, instrument transformers, telemetry equipment, control valves, specialized electronic equipment, bio-medical electronic equipment, computing equipment.

Film Industry

Alberta has gained prestige as a versatile location with its varied landscape and terrain. It has attracted an impressive number of film and television producers of international stature to choose the province as a production location.

In establishing and maintaining a healthy motion picture industry there are opportunities for theatrical feature films, made for TV film productions, made for network television (cable) production, documentary and commercial productions and associated services facilities such as labs, sound studio equipment rentals and catering.

Health Care Products

Alberta offers several important advantages to research and scientific related investments. The Alberta Heritage Foundation for Medical Research is responsible for attracting world class scientific researchers providing a high level of investigative activity and support for health care industries.

Excellent opportunities exist in the field of human and veterinary pharmaceuticals, fine chemical production, biologicals, and diagnostics. Major new health care facilities in Alberta's cities and rural areas provide an established market base for medical and surgical devices, hospital equipment and supplies, physiological monitoring equipment and electronic medical devices. Other opportunities include human pharmaceuticals and dietary products, medical and surgical devices veterinary pharmaceuticals, equipment and feed additives, fine pharmaceutical grade chemicals, ambulance and emergency equipment, biologicals and diagnostics (including blood fractionating products), electronic medical devices and physiological monitoring equipment and general hospital equipment and supplies.

For further information on opportunities in Alberta, contact should be made with the following Alberta Economic Development & Trade office:

Executive Director
Alberta Economic Development & Trade
Industry Development Division
10th Flr., Sterling Place, 9940 - 106 Street
Edmonton, Alberta T5K 2P6
(403) 427-2005
Telex 037-42815

OTHER SOURCES OF VENTURE CAPITAL

Although the term "venture capital" has only recently become familiar to most people, the investment of unsecured funds in rapidly growing private companies has been popular for many years. In North America, venture capital has evolved from groups of wealthy individuals looking for profitable investment opportunities, to small "institutions" staffed by highly trained professionals with specialized interests ranging from technology start ups to leveraged buyouts. Today more than ever, capital markets are specializing in response to market needs.

Following are some venture capital companies active in Alberta:

AEONIAN CAPITAL CORPORATION
Suite 400, 602-12th Avenue S.W.
Calgary, Alberta T2R 1J3
(403) 264-4394

C.A. Smith, Drew Burgess

Type of Investments:	Start up and turnaround
Industries:	Chemical, film, forest products, industrial manufacturing, mining, oil and gas
Dollar Size:	Up to $1,000,000
Type of Companies:	Public, private and partnership
Type of Instruments:	Common shares, preferred shares, debenture with bonus interest, warrants or rights

Percentage range is 25% to 50%. Directorships are required. Consulting fees are charged. Geographical preference: Canada and U.S.A.

Confirmed: June/86

AVF INVESTMENTS LTD. (ALBERTA VENTURES FUND)
Suite 300, 1550-8th Street S.W.
Calgary, Alberta T2R 1K1
(403) 228-9152

Jim F. Perry

Type of Investments:	Start up, turnaround, expansion and levered buyout
Industries:	Mining, oil and gas, service/supply, new technology
Dollar Size:	$300,000 - $2,500,000 +
Type of Companies:	public, private and partnership
Type of Instruments:	Common shares, preferred shares only if together with common shares, debenture with bonus interest only if together with common shares, warrants or rights and common shares

Control position is preferred. Percentage range is 15% to 80%. Directorships are required. Consulting fees are charged. Geographical preference: Canada Central and West.

Confirmed: June/86

ALTA-CAN TELECOM INC.
Floor 26H, 411-1st Street S.E.
Calgary, Alberta T2G 4Y5
(403) 231-8535

A.A. MacKinnon, D.F. Campbell, N.W. Clark

Type of Investments:	Research and development, start up, turnaround, expansion, levered buyout, and technology transfer
Industries:	Electronics manufacturing and distribution with emphasis on telecommunications, microelectronics product development and software. Invest only in technology situations
Dollar Size:	$200,000 - $2,000,000
Type of Companies:	Public, private and partnership
Type of Instruments:	Common shares, preferred shares and debenture with bonus interest, warrants or rights for purchase of common shares

Percentage range does not matter. Directorships are required. Geographical preference: Alberta.

Confirmed: June/86

CANCOM MANAGEMENT LTD.
1213 Canada Trust Tower
10104 - 103 Avenue
Edmonton, Alberta T2P 2V7
(403) 429-1726

David Edgar

Type of Investments:	Negotiable
Industries:	Any industry will be considered excluding real estate
Dollar Size:	$500,000 maximum
Type of Companies:	public, private and partnership
Type of Instruments:	Common shares, preferred shares, debenture with bonus interest, warrants or rights

Percentage range is negotiable. Directorships are required. Consulting fees may be charged. Geographical preference: Alberta.

Confirmed: November/86

CAVENDISH INVESTING LTD.
2850 Bow Valley Square 2
205 Fifth Avenue S.W.
Calgary, Alberta T2P 2V7
(403) 269-6795

Suite 2012
130 Adelaide Street West
Toronto, Ontario M5H 3P5
(416) 362-9840

R.A.N. Bonnycastle

Type of Investments:	Expansion capital, levered buyouts, typically alongside management
Industries:	High technology (data processing, office automation, micro-electronics), industrial manufacturing, proprietary services and retailing
Dollar Size:	$500,000 plus
Type of Companies:	Public, private and partnership
Type of Instruments:	Common shares, preferred shares, debenture with bonus interest, warrants or rights and common shares

Percentage range is open. Geographical preference: Canada and U.S.A.

Confirmed: June/86

SPURT INVESTMENT FUND I
Floor 26H, 411 - 1 Street S.E.
Calgary, Alberta T2G 4Y5
(403) 231-8269

Norman W. Clark

Type of Investments:	Start up
Industries:	High technology
Dollar Size:	$75,000 - $250,000
Type of Companies:	Public, private and partnership
Type of Instruments:	Common shares

Percentage range is 20% to 25%. Directorships are required. Geographical preference: Alberta.

Confirmed: August/86

VENCAP EQUITIES ALBERTA LTD.
816 Imperial Oil Buidling
10025 Jasper Avenue
Edmonton, Alberta T5J 1S6
(403) 420-1171

2410 Paliser Square Building
125 - 9th Avenue S.E.
Calgary, Alberta T5G 0P6
(403) 237-8101

Derek Mather

Type of Investments:	Start up, turnaround, expansion and levered buyout
Industries:	Chemical, communications, consulting and or service, distribution, electronics hardware manufacturing, EDP software, service/distribution, film, forest products, industrial manufacturing, oil and gas services, retail
Industries Excluded:	Oil and gas exploration and development, real estate, banking, mutual funds and finance
Dollar Size:	$500,000 - $10,000,000
Type of Companies:	Public, private and partnership
Type of Instruments:	Common shares, preferred shares, debenture with bonus interest, warrants or rights and common shares

Percentage range is 5% to 40%. Directorships are required. Consulting fees may be charged. Geographical preference: Alberta. Investment opportunities outside Alberta will be considered which are of ultimate benefit to Alberta and/or Albertans.

Confirmed: June/86

BIBLIOGRAPHY

Alberta Economic Development & Trade Publications

A Policy Statement by the Government of Alberta on the Utilization of Alberta Design, Engineering, Construction and Manufacturing Services

Alberta Architects Index

Alberta Business Index - Manufacturers in Alberta

Alberta Business Index - Consulting Industry in Alberta

Alberta Exporters Index, Oil & Gas

Alberta Farm Implement Buyers Guide

Alberta Profile (Economic Development & Trade and Federal Intergovernmental Affairs)

The Electronic Data Processing Industry in Alberta

Industry & Resources

Investment Opportunities in Alberta

Film Alberta

Small Business Guides
Small Business Division, Alberta Economic Development & Trade

1. Starting a Business in Alberta
2. Financing a Business in Alberta
3. Marketing for a Small Business in Alberta
4. Operating a Small Retailing Business in Alberta
5. Operating a Small Manufacturing Business in Alberta
6. Operating a Small Service Business in Alberta
7. Selecting a Data Processing System in Alberta
8. Bookkeeping for a Small Business in Alberta
9. Operating a Small Construction Business in Alberta

Other Small Business Publications

Alberta Location Profile (towns and cities)
Assisting Regional Communities Industry & Business

Directory of Economic Developers in Alberta
Financing Alberta Business (Alberta Opportunity Company)
Services to Alberta Business

Other Alberta Government Publications

1986 List of Publications (Alberta Research Council)
A Technical Service to Industry (Alberta Research Council)
Alberta Facts '86 (Treasury, Bureau of Statistics)
Planning in Alberta - A Guide and Directory (Alberta Municipal Affairs)

Government of Canada Publications

ABC Assistance to Business in Canada (Federal Business Development Bank)

BOSS (Business Opportunities Sourcing System) (Department of Regional Industrial Expansion)

Businessmen's Directory of Canadian Trade Representation Abroad (External Affairs)

So you want to Export: Department of Regional Industrial Expansion

1) Making a Market Survey
2) Tips for your Trip
3) Your Reference Sources

Minding Your Own Business Vols. 1 & 2 (Federal Business Development Bank, Management Services)

Patents: Questions & Answers (Consumer & Corporate Affairs)

Sources of Venture Capital in Canada (Department of Regional Industrial Expansion)